

## MEMORANDUM

**TO:** Commissioners

**FROM:** Paul Gentile, Health Policy Analyst  
Health Resources Division

**DATE:** October 15, 2001

**RE:** *An Analysis and Evaluation of CON Regulation in Maryland-Working Paper: Intermediate Care Facilities for Alcoholism and Drug Abuse-Staff Recommendation –Release for Public Comment*

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### Background

At the September 13, 2001 meeting, the Commission considered a *Working Paper: Intermediate Care Facilities for Alcoholism and Drug Abuse*. Following the September meeting, the Commission invited interested organizations and individuals to submit written comments through October 12, 2001. The working paper outlined the following six alternative strategies for future oversight of intermediate care facilities serving alcoholism and drug abuse patients:

- Option 1: Maintain Existing Certificate of Need Regulation
- Option 2: Expand Certificate of Need Regulation
- Option 3: Partial Deregulation of ICFs from CON Review-ADAA
- Option 4a: Total Deregulation of ICFs from CON Review-ADAA
- Option 4b: Total Deregulation of ICFs from CON Review-Proposed Drug and Alcohol Council
- Option 5a: Deregulate ICF Services from CON Review; Create Data Reporting Model
- Option 5b: Deregulate ICF Services from CON Review; Public Report Card
- Option 5c: Deregulate ICF Services from CON Review; Provider Feedback Performance Reports
- Option 6: Deregulate ICF Services from CON Review

The Commission received no public comments in response to the working paper options.

### **Staff Recommendation**

Under current Maryland health planning law, establishing a new ICF requires a CON. Proposals to develop ICFs providing alcohol and drug abuse services are reviewed based on the State Health Plan chapter that provides policies, standards, and need projections for both private and publicly-funded programs. Given that these services are beginning to be redeveloped with public funds, it seems reasonable to maintain the current CON requirement at this time. Staff suggests that the Commission recommend to the General Assembly that its regulatory oversight of ICFs for alcohol and drug abuse services be maintained through the CON program.